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C O N F I D E N T I A L SECTION 01 OF 03 NEW DELHI 006655

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TAGS: [IN](#) [IZ](#) [MARR](#) [MOPS](#) [PREL](#)

SUBJECT: AMBASSADOR CALLS ON MOD HIERARCHY

Classified By: Ambassador David Mulford. Reasons 1.4 (B,D).

1. (C) Summary: Defense Minister Mukherjee expressed great satisfaction with his visit to the US. Opposition to the New Framework for Defense Relations mainly comes from those mired in "Old Think Syndrome." Mukherjee interested in visiting upcoming Indo-US military exercises, and visiting USS Nimitz. MOD has been informed of death of US soldier of Indian origin. Mukherjee pledges to work in support of civil nuclear initiative and engage NSG representatives. MOD is ready to meet LTG Kohler to discuss P3C, PAC-3, and MRCA RFI. Agricultural reforms are badly needed. There is great interest in reviving Indo-US agricultural college connections. MOD still unclear on how they will affect liaison officer to PACOM. Defense Secretary Dutt wants to schedule the next Defense Policy Group. Mukherjee says Indian participation in PSI needs more discussion. Mukherjee agrees to examine US industry paper on India's Broadcasting policy. End Summary:

New Framework for Defense Relations

2. (C) Ambassador Mulford, DATT and Chief Office of Defense Cooperation met with Defense Minister Pranab Mukherjee on 26 Aug 2005 to review a variety of topics. Also present were Defense Secretary Shekhar Dutt, Joint Secretary (International Cooperation) Debnath Shaw, and Additional Secretary MoD Banerjee. Ambassador congratulated Mukherjee

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on his successful June US visit and the signing of the New Framework for Defense Relations (NFDR), as well, Ambassador complimented Mukherjee on his effort to explain the NFDR to Parliament, the Left, and the Opposition Parties. Mukherjee thanked the Ambassador and explained that his US visit was "simply superb in all aspects." Mukherjee explained that criticism of the NFDR was coming from certain segments of "old thinkers" who were caught in the "old ideas syndrome."

Malabar and COPE India

3. (C) Ambassador highlighted to Mukherjee that we were looking forward to two major exercises here in India, Naval Exercise Malabar 05 (25 Sep-7 Oct) which will be the most complex ever, involving Carriers USS Nimitz and INS Viraat and Cope India in West Bengal (7 - 19 Nov). Ambassador highlighted that exercise planners were assigning 26-27 Sep as the Malabar VIP visitors day and suggested that if Mukherjee were available, he should consider a visit to the Nimitz. Mukherjee said that he thinks he has a commitment outside of India, but if not, then he'd like to visit the exercise and the Nimitz. Ambassador also highlighted IAF-PACAF COPE India DACT exercise to be held 7-19 November in Kalaikunda, and the VIP day set for 18 November.

Another US Soldier of Indian Origin KIA in Iraq

4. (C) Ambassador then mentioned to Mukherjee the death of US Army Specialist Hatim Kathiria, who was KIA in Iraq on 22 August 2005. Kathiria was born in Gujarat, US Naturalized Citizen as of January 2005, and his remains were being arranged for return and funeral in Dahod, Gujarat. Mukherjee was moved by the information, and Ambassador alerted Mukherjee to the possible negative press implications. Ambassador explained that DAO/ODC were undertaking a Casualty Assistance mission to support the Kathiria family.

Civil Nuclear Initiative

5. (C) Ambassador then touched upon the successful official US visit of Prime Minister Manmohan Singh, underscoring that a lot of work needed to be done by US and India to follow through on the various initiatives. Ambassador highlighted the challenges in effecting the civil nuclear initiative. Mukherjee stated that he would insure the GOI works on its end to meet the expectations of the USG and also to convince the NSG members to support the initiative. Mukherjee pointed out the importance of making a breakthrough on the civil nuclear front and how such a breakthrough will open up lots of other areas for cooperation.

LTG Kohler's Visit

16. (C) Ambassador then highlighted the upcoming visit of LTG Kohler, DSCA from 7-10 September, the focus of which is the PAC-3 classified briefing, update on the Indian request for two leased P-3C Orions, and follow-up information on the MRCA RFI. Defense Secretary Dutt assured Ambassador that meetings are set up for LTG Kohler with Defense Secretary, Additional Secretaries and Service Chiefs. Ambassador highlighted that DSCA is working hard to ensure LTG Kohler comes here with a lease or draft lease and the configuration on the planes for purchase, and that LTG Kohler will come here with more answers to the MRCA RFI.

Agricultural Reforms

17. (C) Ambassador then engaged Mukherjee on the subject of agricultural reform initiatives in West Bengal. Ambassador recounted his recent visit with West Bengal Chief Minister Bhattacharjee. Mukherjee pointed out that agricultural reform is extremely important to the GOI and to rural infrastructure development. Mukherjee stressed that what is needed most is reform and investment in research and development. Mukherjee pointed out that investment in agriculture had slowed significantly following the Green Revolution, and that there was too much variance in crop yields in many states, as well as too many protective tariffs. In addition to rural infrastructure development, what India needed most was to reestablish links between US and Indian agricultural colleges, according to Mukherjee. Secretary Dutt offered that there had been links between

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agricultural colleges, but these had more or less stopped. Dutt also point out the problems in the area "dry land farming." Ambassador pointed out Chief Minister Bhattacharjee's most interesting remarks made in Singapore in favor of 100 percent FDI in Kolkata airport's development. Mukherjee explained that Bhattacharjee has undergone the most amazing political transformation. He explained that he knew Bhattacharjee when he was a student activist, and now he has completely changed his views on private investment.

Indian LNO to PACOM and Defense Policy Group

18. (C) Ambassador then brought up the issue of an Indian Liaison Officer to USPACOM. Ambassador asked Mukherjee what MOD intended to do to effect this offer. Ambassador also explained that PACOM is preparing to present MOD a formal Memo of Arrangement for MOD to consider, and that this is the procedure we go through for LNOs for all the other countries who have posted officers to PACOM. Ambassador also explained that PACOM's desire is to have the LNO posted in Hawaii and not D.C. Mukherjee explained that his original idea was to have two more attaches posted to the embassy in D.C. and they would travel to Hawaii as needed. Mukherjee explained that if it is needed, then the LNO will spend more time in Hawaii. Ambassador reiterated that PACOM really wants a full time LNO, who will stay in Hawaii, and with whom PACOM can interact daily. DATT explained that the reason for the MOA is to outline the various parameters of information disclosure, access, interactions, working areas/office space, etc. Secretary Dutt mentioned that they intended to post additional officers at the same senior rank as their military attaches. An idea was then mentioned that perhaps the issue should be discussed at the Defense Policy Group, at which point Mukherjee then asked when the DPG was going to occur. DATT mentioned that USD(P) Edelman has just taken over the job, and OSD staff is considering DPG dates of late October or late November. Ambassador mentioned that we had heard the Indian embassy was suggesting that the DPG should be held in India, instead of D.C. Secretary Dutt responded that MOD thought that perhaps it was a good idea for Mr Edelman to come to India, because he had not yet visited India. DATT then suggested that MOD and OSD exchange a couple of sets of dates from which to choose. Secretary Dutt mentioned that he had already sent a congratulatory letter to Mr Edelman, and he looked forward to meeting him.

PSI

19. (C) Ambassador then mentioned Proliferation Security Initiative (PSI) and explained that this is low-hanging fruit now that we have scrapped the Core Group. Ambassador suggested that a public statement in support of the Statement of Principles will send a good political message. Ambassador also mentioned that the UK is hosting an interdiction exercise in the Indian Ocean in November, and would like India to participate somehow. Mukherjee explained that India's participation in PSI can be worked out after another round of talks on the issue.

India's Broadcasting Policy

110. (C) Finally, the Ambassador asked Mukherjee about changes to India's Broadcasting policy, and queried Mukherjee about leading a group of Ministers assigned to evaluate new policy and regulations on broadcasting -- including policy on up-loading and down-loading of satellite broadcast links. Ambassador mentioned that some U.S. broadcasting companies (AOL and Time Warner) have approached the USG and expressed concerns about three restrictive proposals being considered by the GOM committee. Ambassador offered that he would share with Mukherjee an issue paper on this subject, which now is being prepared by the U.S. broadcasting industry. Mukherjee said he would gladly look at the paper.

111. (U) Visit New Delhi's Classified Website:
(<http://www.state.sgov/p/sa/newdelhi>).
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